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Economic and Social Council

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Economic and Social Council forum on financing for development follow-up
22-25 May 2017
Agenda item 3
Adoption of the intergovernmentally agreed conclusions and recommendations

Draft intergovernmentally agreed conclusions and recommendations submitted by the President of the Economic and Social Council, Frederick Musiiwa Makamure Shava (Zimbabwe), on the basis of informal consultations

Follow-up and review of the financing for development outcomes and the means of implementation of the 2030 Agenda for Sustainable Development

1. We, ministers and high representatives, met in New York at United Nations Headquarters from 22 to 25 May 2017 for the second Economic and Social Council forum on financing for development follow-up. We reaffirm our strong commitment to the full and timely implementation of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, which builds on the 2002 Monterrey Consensus and the 2008 Doha Declaration on Financing for Development. To this end, we assessed progress and identified obstacles and challenges to the implementation of the Addis Ababa Action Agenda. We reiterate our goal to end poverty and hunger, and to achieve sustainable development in its three dimensions through promoting inclusive economic growth, protecting the environment, and promoting social inclusion. We affirm the importance of preserving the planet for our children and future generations, including by addressing climate change. We recall that the Addis Ababa Action Agenda provides a global framework for financing sustainable development and is an integral part of the 2030 Agenda for Sustainable Development, supports and complements it and helps to contextualize its means of implementation targets with concrete policies and actions. In this regard, we reaffirm the importance of policy coherence for sustainable development at all levels.

2. We express concern about the significant impacts of the challenging global environment in 2016 on national efforts to implement the Addis Ababa Action Agenda. Challenges include not only economic factors, such as difficult macroeconomic conditions, low commodity prices, subdued trade growth and volatile capital flows. They also include natural disasters, climate change, environmental degradation, humanitarian crises and conflicts. The current global

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trajectory will not deliver the goal of eradicating poverty in all its forms and dimensions by 2030. In order to reverse this trend, we will take concrete and immediate action to create the necessary enabling environment at all levels for the achievement of the 2030 Agenda for Sustainable Development and accelerate national and international efforts to implement the Addis Ababa Action Agenda. We devote ourselves collectively to the pursuit of global development and of "win-win" cooperation, which can bring huge gains to all countries and all parts of the world. We encourage accelerating national efforts and strengthening international cooperation that supports policies and programmes to increase public and private, domestic and international investment in sustainable development and generates full and productive employment and decent work for all. We take note with appreciation of the first substantive report of the Inter-Agency Task Force on Financing for Development and note that progress can be reported in all seven action areas of the Addis Ababa Action Agenda while acknowledging that many implementation gaps remain.

3. We recommit to ensuring that no country or person is left behind and to focusing our efforts where the challenges are greatest, including by ensuring the inclusion and participation of those who are furthest behind. We reaffirm the importance of addressing the diverse needs and challenges faced by countries in special situations, in particular African countries, least developed countries, landlocked developing countries and small-island developing States, countries in conflict and post-conflict situations, as well as the specific challenges faced by middle-income countries. In this regard, we commit to supporting the implementation of the relevant programmes of action as an integral part of the implementation of the 2030 Agenda for Sustainable Development.

4. We reiterate that the 2030 Agenda for Sustainable Development and the Sustainable Development Goals and targets, including the means of implementation, are universal, indivisible and interlinked. We look forward to the United Nations Conference to Support the Implementation of Sustainable Development Goal 14: conserve and sustainably use the oceans, seas and marine resources for sustainable development to be held from 5 to 9 June 2017 in New York, in accordance with General Assembly resolutions 70/226 and 70/303.

Cross-cutting issues

5. We reaffirm that achieving gender equality, empowering all women and girls, and the full realization of their human rights are essential to achieving sustained, inclusive and equitable economic growth and sustainable development. We underline that globally, gross domestic product (GDP) could increase significantly if every country achieved gender equality and increased participation of women in the formal labour force, as well as in leadership and decision-making positions. We take note of the first reports of the High-level Panel on Women's Economic Empowerment, which outline the transformative impact of unlocking the potential of women and girls to participate in the economy and achieve financial independence on meeting the 2030 Agenda for Sustainable Development. We recognize that the economic and social losses due to a lack of progress in achieving gender equality and women's and girls' empowerment are significant. It is therefore critical that our policies and actions are not just gender-responsive but actively seek to advance the goal of gender equality and women's and girls' empowerment. We welcome efforts to design and implement gender-responsive budgets at the national and local level and recognize the contribution of such budgets to transparency and equal participation in revenue and expenditure decisions. We will continue to pursue policies, including enforceable legislation and transformative actions that seek to achieve gender equality and women's and girls' empowerment. We encourage

institutions, both domestic and international, including development banks, which influence infrastructure investment choices, to better consider the impact of their policies and investments on gender equality and the empowerment of women and girls.

6. We reaffirm that investment into quality, reliable, sustainable and resilient infrastructure including for renewable energy, connectivity, transportation, water and sanitation, as well as information and communications technologies is a core component for achieving the Sustainable Development Goals. As overall investment growth has been slow over recent years, we recognize that additional public and private investment and financing will be required to meet the large investment needs associated with the Sustainable Development Goals, particularly in infrastructure in developing countries, and especially in African countries, least developed countries, landlocked developing countries and small island developing States, and take note in this regard of the role of the International Development Finance Club. We recognize the important roles of national, regional and multilateral development banks in channelling long-term development finance to infrastructure in developing countries, especially in African countries, least developed countries, landlocked developing countries and small island developing States. We welcome the holding of the second Global Infrastructure Forum on 22 April 2017. We take note of its outcome and invite the forum to give due priority to transit and transport development. We encourage multilateral development banks and development finance institutions to use their capital in a catalytic way to mobilize greater volumes of private sector finance alongside them and recognize the potential of modalities such as appropriately designed risk-sharing instruments, including co-investments, blended finance, public-private partnerships, and guarantees, as well as innovative mechanisms. We reaffirm that such modalities should share risks and rewards fairly, include clear accountability mechanisms and meet social and environmental standards. We encourage all stakeholders to foster and develop bankable and implementable infrastructure projects in developing countries including through capacity-building. We stress the critical importance of industrial development for developing countries, as a critical source of economic growth, economic diversification, and value addition, as a means to achieve structural and economic transformation in developing countries. We will support increased efforts, consistent with relevant international rules and obligations, to invest in promoting inclusive and sustainable industrial development to effectively address major challenges, such as sustainable growth and jobs creation, resources and energy efficiency, pollution and climate change, knowledge-sharing, innovation and social inclusion. In this regard, we also welcome the relevant cooperation within the United Nations system, including the United Nations Industrial Development Organization and other ongoing initiatives.

7. We recognize that increased long-term oriented investments need to be complemented by measures to assist the poor and vulnerable people. We emphasize the importance of ensuring that social protection systems and measures for all, including floors, are consistent with national development strategies, and are well designed, efficiently operated, responsive to shocks, and sustainable in the long term. We will expand peer learning and experience-sharing among countries and regions in finding the right financing mixes that match countries' respective needs, capacities and national circumstances and encourage support for capacity-building to help countries, according to their needs, to design and implement nationally appropriate social protection systems and measures consistent with national development strategies. We recognize that effective health, education, energy, water and sanitation systems can contribute directly to poverty eradication, sustained and inclusive economic growth and stability and that efficient and effective investment is needed in these areas, consistent with national sustainable development strategies,

including to improve the quality of and access to education and thereby enable millions of people to acquire skills for decent work. We invite the Inter-Agency Task Force, within its mandate and existing resources and as part of its 2018 report, in consultation with the Social Protection Inter-Agency Cooperation Board, to prepare an inventory of domestic and international financial instruments and funding modalities, and existing quick-disbursing international facilities and the requirements for accessing them, to be discussed at the 2018 session of the Economic and Social Council forum on financing for development follow-up.

8. We recall the entry into force of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change, and appreciate the steps taken by parties to the agreement towards its implementation. We also appreciate actions taken to address climate change by parties to the Convention. We call for mobilizing further action and support for climate change mitigation and adaptation, taking into account the specific needs and special circumstances of developing countries, especially those particularly vulnerable to the adverse effects of climate change.

Domestic public resources

9. For all countries, public policies and the mobilization and effective use of domestic resources, underscored by the principle of national ownership, are central to our common pursuit of sustainable development, including achieving the Sustainable Development Goals. We recognize that domestic resources are first and foremost generated by economic growth, supported by an enabling environment at all levels. We also recognize the challenges associated with a narrow tax base and low tax-to-GDP ratio experienced by some developing countries due to a small and underdeveloped private sector. We note that tax administration and public financial management capacities have improved in many countries, and note that there is strengthened awareness of the link between taxation, expenditure, public resource management, accountability, and anti-corruption efforts. We will pursue whole-of-government approaches that emphasize the development of medium-term revenue strategies and stronger enforcement. We encourage strengthened efforts to promote the transition from informal to formal employment and increasing taxpayer registration in line with country circumstances, as a means to generate domestic resources, promote decent work for all, particularly youth and women, and create a virtuous cycle of sustainable and inclusive productive growth. We will also make greater use of tools to assess tax policy and administration capacity in our efforts to develop appropriate strategies to strengthen our tax systems. We encourage national governments to develop integrated national financing frameworks that take into consideration all financing sources to support cohesive nationally owned sustainable development strategies. We reaffirm that every State has and shall freely exercise full permanent sovereignty over all its wealth, natural resources and economic activity. We recognize the importance of better disaggregation of budget and expenditure data at the national and subnational levels, including by sex, to improve tracking of spending related to the Sustainable Development Goals and efforts to improve gender equality, accountability and transparency, with increased capacity-building for countries that need assistance, particularly African countries, least developed countries, landlocked developing countries and small island developing States. We welcome the important contribution that peer learning and regional cooperation through regional tax authorities continues to make in building capacity in tax matters. We welcome the establishment of the joint International Monetary Fund/Organization for Economic Cooperation and Development/United Nations/World Bank Group inter-agency Platform for Collaboration on Tax and look forward to the first global conference of the Platform on "Taxation and the Sustainable Development Goals", to be held at United Nations Headquarters from 14 to 16 February 2018, within existing resources. We encourage countries to

increase external support to build capacity in the area of tax matters, including through official development assistance (ODA), as called for in the Addis Ababa Action Agenda. In this regard, we also take note of the Addis Tax Initiative, the joint Organization for Economic Cooperation and Development/United Nations Development Programme initiative, "Tax Inspectors Without Borders", and the Organization for Economic Cooperation and Development Forum on Tax Administration capacity-building network.

10. We emphasize the need for international cooperation in tax matters. We welcome the work of the United Nations Committee of Experts on International Cooperation in Tax Matters. We invite Member States to continue to support the Committee and its subsidiary bodies through the voluntary trust fund, to enable the Committee to fulfil its mandate, including supporting the increased participation of developing country experts at subcommittee meetings. We encourage the Secretary-General to conduct timely and transparent consultations with Member States on the appointment of the new membership of the Committee in order to reflect an adequate equitable geographical distribution, representing different tax systems. In this regard, we invite the Secretary-General to seek more nominations by governments of developing countries for the Committee. We note the conclusion of the term of the current membership of the Committee in June 2017, and we note with appreciation its work in the United Nations Model Double Taxation Convention between Developed and Developing Countries, the United Nations Practical Manual on Transfer Pricing for Developing Countries and the United Nations Code of Conduct on Cooperation in Combating International Tax Evasion adopted by the Economic and Social Council. We welcome the progress made in the inclusive framework on implementation of the Base Erosion and Profit Shifting and in the Global Forum on Transparency and Exchange of Information for Tax Purposes in addressing tax avoidance and evasion and encourage countries to join these initiatives. We also call for greater international cooperation to combat illicit financial flows and pledge to deter, detect, prevent and counter corruption, and increase transparency and promote good governance for our citizens, which contribute to fostering sustainable development. We take note of the report of the High-level Panel on Illicit Financial Flows from Africa. We encourage countries to work on the strengthening of existing institutions and enforcement of law in both source and destination countries. We recognize that data and estimation can be helpful in designing policies and interventions to tackle this issue. We encourage States to strengthen international cooperation on the recovery and return of stolen assets in line with their obligations under domestic and international law including the United Nations Convention against Corruption, where applicable, and recognize that asset return is a priority. We will support continued exchanges on the development of good practices on asset return.

Domestic and international private business and finance

11. We recognize that socially responsible and accountable private business activity, investment, entrepreneurship and innovation are major drivers of productivity, inclusive economic growth and job creation. We welcome the progress made in many countries in strengthening the enabling environment for private sector business and investment. We recognize that more can be done to create competitive business and investment climates in support of sustainable development that are well placed to attract private sector investment and participation. We encourage multilateral development banks and development finance institutions to link their enabling environment work with private sector investment to ensure that reforms address investor needs. We acknowledge increasing efforts of policymakers and stakeholders to develop financial markets that are inclusive, long-term oriented, and supportive of sustainable development. We will encourage efforts by the private

sector to better align their internal incentives with long-term investment and with the 2030 Agenda for Sustainable Development, including through United Nations system initiatives. In this regard, we note that the Inter-Agency Task Force has begun work on mapping out the incentive structures of different actors in the financial system and look forward to its findings, including on how fiduciary responsibilities and non-financial impacts are viewed and taken into account, within its mandate and existing resources and as part of its 2018 report. We also recommend encouraging corporate social responsibility policies. We take note of voluntary initiatives to develop corporate sustainability benchmarks and invite the Inter-Agency Task Force to analyse and report on these efforts, within its mandate and existing resources and as part of its 2018 report. We recognize that implementing the Sustainable Development Goals can open new business and market opportunities. We invite the Inter-Agency Task Force to examine the business cases that promote Sustainable Development Goal implementation and business conditions for supporting the development of pipelines of investable projects, within its mandate and existing resources and as part of its 2018 report. We note with concern that foreign direct investment flows to developing countries have registered lower levels in recent years. We encourage an increase in the volume and quality, in particular its alignment with the Sustainable Development Goals, diversification and long-term nature of foreign direct investment to all developing countries, including African countries, least developed countries, small island developing States, landlocked developing countries and middle-income countries, including through strengthening investment promotion regimes, strategies and agencies, as well as addressing the problem of the scale of the market and the size of projects as obstacles to foreign direct investment. In this regard, we encourage efforts to map priority investment areas at the national level as a way to guide private investors, both foreign and domestic, for Sustainable Development Goals in accordance with national priorities and to support the development of pipelines of investable projects.

12. We also welcome the progress on financial inclusion across all income groups and all regions in recent years. We are concerned that two billion people, primarily in rural areas in developing countries, still do not have access to formal financial services and remain concerned about the gender gap in financial inclusion. We will work towards full and equal access to formal financial services for all. We call on more countries to adopt national financial inclusion and gender-responsive strategies and to end the structural barriers to women's equal access to economic resources. In this regard, we call for scaled-up action to improve financial literacy and consumer protection, particularly for women and youth. Working with private actors, development banks, cooperatives and savings banks, we recommit to promoting appropriate, affordable and stable access to credit and other financial services to micro, small and medium-sized enterprises, in particular businesses and enterprises in the social and solidarity economy operating in both formal and informal sectors, as well as adequate skills development training for all, particularly for youth, women and entrepreneurs. We recognize that policies aimed at strengthening financial inclusion and nourishing entrepreneurship could also help to develop micro, small and medium-sized enterprises. We recognize the positive contributions of migrants to sustainable development in countries of origin, transit and destination. We will work to ensure that adequate and affordable financial services are available to migrants and their families in both host and home countries. We support national authorities to address the most significant obstacles to the continued flow of remittances, including abuse by illicit actors. We will work towards reducing the average transaction cost of migrant remittances by 2030 to less than 3 per cent of the amount transferred.

International development cooperation

13. International public finance plays an important role in complementing the efforts of countries to mobilize public resources domestically, especially in the poorest and most vulnerable countries with limited domestic resources. Our ambitious agenda puts significant demands on public budgets and capacities, which requires scaled-up and more effective international support, including both concessional and non-concessional financing. We welcome the increase of ODA in real terms in 2016 but note with concern that bilateral net ODA to least developed countries fell slightly in real terms in 2016, after increases in 2015, and that many countries still fall short of their respective ODA commitments. We call on ODA providers to fulfil their respective commitments including the commitment by many developed countries to achieve the national target of 0.7 per cent of gross national income (GNI). We encourage ODA providers to consider setting a target to provide at least 0.2 per cent ODA/GNI to least developed countries. We also recognize that ODA remains a main source of external finance for many landlocked developing countries. We also acknowledge that ODA and other concessional finance are still important for a number of middle-income countries and have a role to play for targeted results taking into account the specific needs of these countries. We will strengthen international cooperation to support efforts to build capacity in developing countries, including through ODA, in line with existing commitments. We will hold open, inclusive and transparent discussions on the modernization of the ODA measurement and on the proposed measure of "total official support for sustainable development" and we affirm that any such measure will not dilute commitments already made.

14. We note with concern that access to concessional finance is reduced as countries' incomes grow, and that countries may not be able to access sufficient affordable financing from other sources to meet their needs. We encourage shareholders in multilateral development banks to develop graduation policies that are sequenced, phased and gradual. We also encourage multilateral development banks to explore ways to ensure that their assistance best addresses the opportunities and challenges presented by the diverse circumstances of middle-income countries. In this regard, we reiterate the call on the United Nations system, in consultation with the international financial institutions, to develop transparent measurements of progress on sustainable development that go beyond per capita income, building on existing initiatives, as appropriate. These should recognize poverty in all of its forms and dimensions and the economic, social and environmental dimensions of domestic output and structural gaps at all levels. We welcome the progress made in enhancing the quality and effectiveness of international development cooperation and aligning it with sustainable development. We welcome continued efforts to improve the quality, impact and effectiveness of development cooperation and other international efforts in public finance, including adherence to agreed development cooperation effectiveness principles. We note the second high-level meeting of the Global Partnership for Effective Development Cooperation in Nairobi. We reaffirm that the use of international public finance, including ODA, can catalyse additional finance from other sources, public and private, and through appropriately designed risk-sharing instruments, including co-investments, public-private partnerships, and guarantees, notably for infrastructure and other investments that support private sector development. In this regard, we invite the Inter-Agency Task Force to examine the best practices that show a catalysing effect of ODA, within its mandate and existing resources and as part of its 2018 report. We note with appreciation the successful eighteenth replenishment of the International Development Association. We welcome the contributions of South-South cooperation to poverty eradication and sustainable development. We

reaffirm that South-South cooperation is an important element of international cooperation for development as a complement to, not a substitute for, North-South cooperation. We also commit to strengthening triangular cooperation as a means of bringing relevant experience and expertise to bear in development cooperation.

International trade as an engine for development

15. We reaffirm that international trade is an engine for inclusive economic growth and poverty reduction and can contribute to the promotion of sustainable development. We note that trade growth was subdued over the past year. To make trade more free and fair, we recognize the importance of strengthening the international trading system and increasing the contribution of trade to our economies. World Trade Organization members have made significant progress towards the goal of providing duty-free and quota-free market access on a lasting basis for all products for all least developed countries and further improvement in this direction would be welcomed. We welcome World Trade Organization members' efforts to implement the decision on preferential rules of origin as agreed at the tenth Ministerial Conference in Nairobi. In this regard, we welcome all ongoing market access initiatives for least developed countries. We note that many micro, small and medium-sized enterprises are not benefiting sufficiently from the international trading system, and have difficulties integrating into global value chains. We will promote policies that encourage access by micro, small and medium-sized enterprises to adequate and affordable trade finance at all levels. We also note the US $1.6 trillion shortage in trade finance provision reported by the Asian Development Bank and the International Chamber of Commerce and invite the Inter-Agency Task Force to review the trade financing gap, within its mandate and existing resources and as part of its 2018 report.

16. We welcome the entry into force of the World Trade Organization Trade Facilitation Agreement and call for its full and timely implementation. We welcome increasing aid-for-trade aimed at value addition and economic diversification and note the importance of regional aid-for-trade in supporting faster transit of goods at border crossings and integration into value chains. We look forward to the eleventh Ministerial Conference of the World Trade Organization, to be held in Buenos Aires in December 2017 and its outcome.

Debt and debt sustainability

17. Borrowing is an important tool for financing investment critical to achieving sustainable development. We reiterate that debtors and creditors must work together to prevent and resolve unsustainable debt situations. We note that global gross public and private debt of the non-financial sector reached a record high in 2015. We recognize that changes in the composition of debt — including elevated levels of corporate debt in a number of developing countries — pose additional risks to an already fragile global economy. In addition to a challenging external environment, commodity price shocks and increases in bond issuances in frontier markets have contributed to renewed increases in aggregate debt ratios and risks to debt sustainability in a number of countries, including some African countries, least developed countries, landlocked developing countries, small island developing States and middle-income countries. We will work towards a global consensus on guidelines for debtor and creditor responsibilities in borrowing by and lending to sovereigns, building on existing initiatives. In this regard, we note the United Nations Conference on Trade and Development principles on responsible borrowing and lending as well as other relevant work in the International Monetary Fund, the Paris Club and the Group of 20, including the G-20 Operational Guidelines for Sustainable Financing. We recognize the need to assist developing countries in

attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief, debt restructuring and sound debt management, as appropriate. We encourage consideration of measures for countries affected by severe natural disasters and social or economic shocks, as feasible. We also recognize that rising levels of debt call for effective public debt sustainability assessments, which require improved comprehensiveness, reliability, and timeliness of external and domestic debt data, as well as data on government assets and contingent liabilities. In that respect, we welcome the ongoing review of the International Monetary Fund/World Bank debt sustainability framework for low-income countries.

18. We are encouraged to see the progress in some areas related to debt management, in particular on sovereign debt management, debt crisis prevention and market-based solutions for sovereign debt restructuring, including the incorporation of enhanced collective action and pari passu clauses in sovereign bond contracts. We will seek to address the concerns that surround the operation of creditors buying distressed debt on secondary markets. We will consider the role that state-contingent debt financing instruments can play. We recognize that aggressive litigation by non-cooperative minority creditors poses challenges in the financing and debt restructuring processes, especially for the poorest countries that lack the technical capacity to face such a legal challenge. We commit to exploring enhanced international monitoring of litigation by non-cooperative minority creditors and take action, as appropriate.

Addressing systemic issues

19. We reaffirm that the 2008 world financial and economic crisis underscored the need for sound regulation of financial markets to strengthen financial and economic stability, as well as the imperative of a global financial safety net. We acknowledge the seriousness of the systemic challenges facing the international community in its efforts to achieve the 2030 Agenda for Sustainable Development and reiterate the importance of policy coherence in its implementation and call upon countries to assess the impact of their policies on sustainable development. We encourage governments to work with the International Monetary Fund to identify and address gaps in the global financial safety net. We note that these may include ensuring adequate levels of financing, increasing its flexibility, timeliness and efficiency and strengthening its counter-cyclical nature while preserving fiscal space. We acknowledge that the world continues to face large and volatile capital flows. We call upon countries to strengthen their investment climate to attract long-term flows and work to address excessive volatility. When dealing with risks from large and volatile capital flows, necessary macroeconomic policy adjustment could be supported by macroprudential and, as appropriate, capital flow management measures. We encourage the flow of finance into productive sectors by creating the right incentives. We stress the importance of addressing the volatility of commodity prices. We emphasize that greater international macroeconomic coordination can further help to reduce policy uncertainty, and the impact of spillovers and financial flow volatility. We note the ongoing work of the United Nations Environment Programme Inquiry into the design of a sustainable financial system and related work by G-20 and others and look forward to updates on developments in this area, including through the Inter-Agency Task Force, within its mandate and existing resources and as part of its 2018 report.

20. We note progress on the implementation of regulatory reforms of the international financial system. We underscore the importance of monitoring the impact of financial regulation on incentives for financial inclusion and investment in sustainable development, including the monitoring of any possible unintended

consequences. We call on all regional and global organizations and institutions to consider the Sustainable Development Goals as they develop their strategies, policies and practices, as appropriate. We recommit to broadening and strengthening the voice and participation of developing countries in international economic decision-making and norm-setting and global economic governance. We invite the Basel Committee on Banking Supervision and other main international regulatory standard-setting bodies, including the Financial Stability Board, to continue their efforts in this regard. We also invite those bodies to consider contributing to and participating in the work of the Inter-Agency Task Force. We take note of the existing regular shareholding reviews at the World Bank and reviews of governance at the International Monetary Fund. We also urge the International Monetary Fund to continue its efforts to provide more comprehensive and flexible financial responses to the needs of developing countries. We encourage other relevant international financial institutions to continue periodic processes to examine their governance structures with the goal of strengthening the voice and participation of developing countries.

Science, technology, innovation and capacity-building

21. The creation, development and diffusion of new innovations and technologies and associated know-how, including the transfer of technology on mutually agreed terms, are powerful drivers of economic growth and sustainable development. We note the important progress that has been made in facilitating access to many technologies, particularly in information and communications technologies, such as the Internet. We express concern, however, that there are still significant digital divides between and within countries, and between women and men, which need to be addressed through, among other actions, strengthened enabling policy environments and international cooperation, to improve affordability, access, education, capacity-building, multilingualism, cultural preservation, investment and appropriate financing. We recognize the importance of reducing and eliminating all of these divides. We will continue to discuss these issues at the Technology Facilitation Mechanism and other appropriate venues both inside and outside the United Nations. We recognize both the transformative and disruptive potential of new technologies on our labour markets and on the jobs of the future, particularly advances in automation, and in this regard invite the Inter-Agency Task Force to further examine these issues, within its mandate and existing resources and as part of its 2018 report.

22. We will continue to implement national strategies for science, technology and innovation that comprise policy, regulatory, and institutional frameworks that strengthen the enabling environment and enhance interactive learning, along with the strategic allocation of resources and adequate infrastructure. We welcome the international support and establishment of multi-stakeholder partnerships for implementing effective and targeted capacity-building. We will encourage that spending on research and development remains stable and long-term oriented. At the same time, we will use a variety of tools to incentivize greater private investment and innovation and welcome the collaboration between Member States and all other stakeholders, such as civil society, private sector, academia, scientific community, foundations and philanthropic entities. We encourage capacity-building for developing countries to strengthen their national science, technology and innovation ecosystems. We note with appreciation the progress made towards the establishment of the Technology Facilitation Mechanism and in this regard welcome the holding of the Multi-stakeholder Forum on Science, Technology and Innovation for the Sustainable Development Goals on 15 and 16 May 2017 and also call for the timely establishment of its online platform. We acknowledge the potential of the Technology Bank for the Least Developed Countries to foster productive capacity,

structural transformation, poverty eradication and sustainable development in least developed countries and, in this regard, we take note of General Assembly resolution 70/216 of 22 December 2015, in which the Assembly outlines the steps necessary to launch and operationalize the Technology Bank, funded by voluntary contributions, and to ensure continued support for the Technology Bank from all relevant stakeholders. In this context, we encourage developed and developing country partners, as well as international organizations, foundations and the private sector to provide financial and technical assistance to the Technology Bank to ensure its effective operation.

Data, monitoring and follow-up

23. We reaffirm the importance of high-quality disaggregated data in order to determine their contribution to the national economy for evidence-based policymaking and for monitoring progress in the implementation of the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development. We will consider enhancing capacity-building support to developing countries, including for African countries, least developed countries, landlocked developing countries, small island developing States and middle-income countries for this purpose and provide international cooperation including through technical and financial support to further strengthen the capacity of national statistical authorities and bureaus. National statistical systems have a central role in generating, disseminating and administering data. They should be supplemented with data and analysis from civil society, academia and the private sector. We encourage Governments to strengthen the collection of time-use data, time-use research on the unpaid care burdens of women and girls and the construction of satellite accounts to determine the value of unpaid care work and its contribution to the national economy, as appropriate, in cooperation with the United Nations system and other international organizations, upon the request of Governments. In this context, we take note, with appreciation, of the online annex to the report of the Inter-Agency Task Force. We encourage the members of the Inter-Agency Task Force to continue to support its work.

24. We invite international, bilateral and other potential donors to consider contributing generously to the Trust Fund to Support Activities for the Follow-up to the International Conference on Financing for Development, in particular to support the travel to and participation of representatives from developing countries, in particular least developed countries, landlocked developing countries and small island developing States, in the annual Economic and Social Council forum on financing for development follow-up.

25. We decide that the third Economic and Social Council forum on financing for development follow-up will convene from 23 to 26 April 2018, and will include the special high-level meeting with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development. We also decide that the forum's modalities will be the modalities that applied to the 2017 forum.

26. We request the Inter-Agency Task Force on Financing for Development to issue an advance unedited version of its 2018 report, no later than the end of February 2018, to be updated with the latest data upon its release, in order to facilitate the timely preparation of the draft conclusions and recommendations.

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Economic and Social Council forum on financing for development follow-up
22-25 May 2017
Agenda item 4
Adoption of the report

Draft report

A. Opening and duration of the session

1. The 2017 meeting of the Economic and Social Council forum on financing for development follow-up was held at Headquarters from 22 to 25 May 2017 pursuant to paragraphs 130 to 132 of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development (General Assembly resolution 69/313, annex), General Assembly resolutions 70/192 and 71/217 and Council decision 2017/206.

2. At the 1st meeting, on 22 May 2017, the President of the Economic and Social Council, Frederick Musiiwa Makamure Shava (Zimbabwe), opened the forum and made a statement.

3. At the same meeting, the forum viewed a video message by the Deputy Secretary-General.

4. Also at the same meeting, the forum viewed a video message from the Managing Director of the International Monetary Fund, Christine Lagarde, and heard the statements by the Senior Vice-President for the 2030 Development Agenda, United Nations Relations and Partnerships, World Bank Group, Mahmoud Mohieldin, the Deputy-Director General of the World Trade Organization, Yonov Frederick Agah, the President of the Trade and Development Board, United Nations Conference on Trade and Development, Christopher Onyanga Aparr, the Vice-President and Corporate Secretary of the World Bank Group, Yvonne Tsikata, and the Deputy-Secretary of the International Monetary and Financial Committee, Patricia Alonso-Gamo.

5. At the same meeting, the Under-Secretary-General for Economic and Social Affairs introduced the main findings of the 2017 report of the Inter-Agency Task Force on Financing for Development as contained in the note by the Secretary-General on financing for development: progress and prospects (E/FFDF/2017/2).

6. Also at the same meeting, the forum heard keynote presentations by the Secretary-General of the United Nations Conference on Trade and Development,

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Mukhisa Kituyi (video message), the Acting Administrator of the United Nations Development Programme, Tegegnework Gettu, and the Executive Secretary of the Economic and Social Commission for Asia and the Pacific, Shamshad Akhtar (on behalf of the regional commissions of the United Nations).

[*To be completed*]

B. Agenda

7. At the same meeting, the forum adopted its provisional agenda as contained in document E/FFDF/2017/1. The agenda read as follows:

1. Adoption of the agenda and other organizational matters.
2. Follow-up and review of the financing for development outcomes and the means of implementation of the 2030 Agenda for Sustainable Development:
   (a) Special high-level meeting with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development;
   (b) General debate;
   (c) Ministerial round tables;
   (d) Thematic round tables, panel discussions and interactive dialogues.
3. Adoption of the intergovernmentally agreed conclusions and recommendations.
4. Adoption of the report.

C. Attendance

8. The forum was attended by the representatives of ___ States Members of the United Nations and States members of specialized agencies and the European Union. Representatives of intergovernmental organizations and other entities and representatives of the United Nations system, as well as representatives of civil society organizations and business sector entities, also attended. The list of participants will be issued as document E/FFDF/2017/INF/2.

D. Documentation

9. The list of documents before the forum is contained in the annex to the present report.

Annex

List of documents

Document symbol	Agenda item	Title
E/FFDF/2017/1	1	Provisional agenda and annotations
E/FFDF/2017/2	2	Note by the Secretary-General on financing for development: progress and prospects
E/FFDF/2017/L.1	2	Follow-up and review of the financing for development outcomes and the means of implementation of the 2030 Agenda for Sustainable Development
E/FFDF/2017/INF/1		Information note prepared by the President of the Economic and Social Council on arrangements for the 2017 Economic and Social Council forum on financing for development follow-up
E/FFDF/2017/INF/2		List of participants